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IDAHO PUBLIC  
UTILITIES COMMISSION

**DONOVAN E. WALKER**  
Lead Counsel  
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July 25, 2014

**VIA HAND DELIVERY**

Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
Boise, Idaho 83702

Re: Case No. IPC-E-14-19  
Grand View PV Solar Two, LLC – Idaho Power Company's Application  
Regarding Energy Sales Agreement

Dear Ms. Jewell:

Enclosed for filing please find an original and seven (7) copies of Idaho Power Company's Application in the above matter.

Very truly yours,



Donovan E. Walker

DEW:csb  
Enclosures

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Idaho Power Company  
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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF IDAHO POWER COMPANY FOR	)	CASE NO. IPC-E-14-19
APPROVAL OR REJECTION OF AN	)	
ENERGY SALES AGREEMENT WITH	)	APPLICATION
GRAND VIEW PV SOLAR TWO, LLC, FOR	)	
THE SALE AND PURCHASE OF ELECTRIC	)	
ENERGY.	)	
	)	

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Idaho Power Company ("Idaho Power" or "Company"), in accordance with RP 52 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), hereby respectfully applies to the Idaho Public Utilities Commission ("Commission") for an order accepting or rejecting the Energy Sales Agreement ("ESA") between Idaho Power and Grand View PV Solar Two, LLC ("Grand View" or "Seller") under which Grand View would sell and Idaho Power would purchase electric energy generated by Grand View's 80 megawatt ("MW") solar photovoltaic project ("Facility") located approximately 20 miles southwest of Mountain Home, Idaho.



In support of this Application, Idaho Power represents as follows:

## **I. INTRODUCTION**

1. The ESA submitted herewith is a new contract for a Qualifying Facility ("QF") for a term of 20 years. The ESA, dated July 17, 2014, was signed by Grand View on July 16, 2014, and was signed by Idaho Power on July 17, 2014. The ESA was executed in compliance with the Commission's orders directing the implementation of PURPA for the state of Idaho, complies with the Commission's orders from Case No. GNR-E-11-03, and contains negotiated avoided cost rates based upon the incremental cost, integrated resource plan pricing methodology applicable to solar projects that exceed 100 kilowatts ("kW"). Additionally, the ESA contains negotiated solar integration charges as directed by the Commission in Order No. 33043, as well as several other negotiated provisions requiring specific Commission approval.

## **II. BACKGROUND**

2. Sections 201 and 210 of PURPA, and pertinent regulations of the Federal Energy Regulatory Commission ("FERC"), require that regulated electric utilities purchase power produced by cogenerators or small power producers that obtain QF status. The rate a QF receives for the sale of its power is generally referred to as the "avoided cost" rate and is to reflect the incremental cost to an electric utility of electric energy or capacity or both, which, but for the purchase from the QF, such utility would generate itself or purchase from another source. The Commission has authority under PURPA Sections 201 and 210 and the implementing regulations of FERC, 18 C.F.R. § 292, to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules.

3. On December 18, 2012, the Commission issued Order No. 32697, which established parameters for published and negotiated avoided cost rate calculations. The Commission further established and defined numerous contract terms and conditions for power purchase agreements entered into between regulated utilities and QFs. On January 2, 2013, the Commission issued Errata to Order No. 32697, which corrected published avoided cost rates to include energy payments not discounted by transmission and line loss. Then the Commission issued Reconsideration Order Nos. 32737 and 32802 on February 5, 2013, and May 5, 2013, respectively, which further clarified certain terms and conditions of power purchase agreements.

4. On May 28, 2014, the Commission issued Order No. 33043 denying Idaho Power's request to suspend its obligation to purchase power from solar QFs until completion of its solar integration study and implementation of a solar integration charge. The Commission partially granted the Company's alternative requested relief and directed that parties negotiate solar power purchase agreements to also address the inclusion of a solar integration charge as a provision of the power sales agreement.

### **III. THE ENERGY SALES AGREEMENT**

5. On June 17, 2014, Idaho Power and Grand View entered into an ESA pursuant to the terms and conditions of the various Commission orders applicable to this PURPA agreement for an 80 MW solar project. A copy of the ESA is attached to this Application as Attachment 1. Under the terms of this ESA, Grand View elected to contract with Idaho Power for a 20-year term. The proposed project is expected to consist of approximately 340,480 polysilicon photovoltaic panels installed on a single axis tracking system, supported by a fixed post and beam structure. The Facility is

located approximately 20 miles southwest of Mountain Home, Idaho, and has a nameplate rating of 80 MW AC. The Facility will be a QF under the applicable provisions of PURPA.

6. Grand View has selected July 1, 2016, as the Scheduled Operation Date. Appendix B. Various requirements have been placed upon Grand View in order for Idaho Power to accept energy deliveries from this Facility. Idaho Power will continue to monitor compliance with these requirements. In addition, Idaho Power will monitor the ongoing requirements through the full term of this ESA.

7. The ESA contains negotiated avoided cost rates based upon the incremental cost, integrated resource plan pricing methodology applicable to solar projects that exceed 100 kW, in conformity with applicable Commission orders. Prices were determined on an incremental basis with the inclusion of this project in its queued position of proposed projects on Idaho Power's system. The non-levelized, heavy and light load avoided cost rates are set forth in Appendix E of the ESA. Over the 20-year term of the agreement, the monthly rates vary from approximately \$31/megawatt-hour ("MWh") for light load hours in early months of the agreement to as high as \$159/MWh for heavy load hours in the later years of the agreement. The equivalent 20-year levelized avoided cost rate is approximately \$73.41/MWh. The 20-year estimated contractual obligation based upon the estimated generation levels applied to the above-referenced avoided cost rates and solar integration charges is approximately \$310,237,634.

8. The ESA also contains a solar integration charge. The solar integration charge is set forth in Appendix E of the ESA as a monthly amount for each year of the

contract term. The solar integration charge is a negotiated rate agreed upon by the parties. The integration charge is based upon Idaho Power's solar integration study. During the negotiation of this ESA, the solar integration study was not yet completed, but the most currently available data and analysis from the study was used by the parties in the course of their negotiations. The study was completed on June 16, 2014, and filed with the Commission on June 17, 2014. Idaho Power subsequently filed an application with the Commission on July 1, 2014, seeking implementation of solar integration charges for all solar QFs in the state of Idaho. Case No. IPC-E-14-18. The negotiated solar integration charge included in Grand View's ESA starts at a charge of \$0.99/MWh for the first year of the agreement (2015) and escalates to \$1.84/MWh in 2036. The equivalent 20-year levelized solar integration charge is approximately \$1.28/MWh. The solar integration charge for Grand View, agreed to by the parties, is based upon blended costs from the first two penetration levels identified in the study. Because Idaho Power currently has 60 MW of existing solar penetration (60 MW of executed PURPA solar projects in its Oregon jurisdiction), the integration charge in the ESA is a blended charge made up of 40 MW at the 0-100 MW cost and 40 MW at the 100-300 cost for this 80 MW project.

9. This ESA, as well as the ESA for Boise City Solar, LLC, is the first solar QF agreement submitted to the Commission for approval that contains revised terms and conditions subsequent to the Commission's final and reconsideration orders from Case No. GNR-E-11-03. It is the first submitted agreement to contain negotiated avoided cost rates for a project above the published rate eligibility cap that are based upon the approved incremental cost, integrated resource plan methodology. The form



of the ESA has several terms and conditions that vary from previously approved agreements in order to comply with the Commission's recent orders, and to properly implement the negotiated rates and integration charges. In addition, Idaho Power and Grand View have agreed to changes in some provisions that the parties propose for Commission approval.

10. Mechanical Availability Guaranty ("MAG"). This ESA does not contain any 90/110 firmness requirement; instead it contains provisions for a MAG, solar forecasting fees, solar integration charge, and the pricing adjustment described below. Idaho Power would prefer that 90/110 firmness be included in all PURPA QF agreements. However, in the negotiation of this agreement, the project wished to have a MAG and pay forecasting costs in a similar manner as that approved for wind QF contracts at the time the Commission approved the settlement stipulation that first implemented a wind integration charge. Idaho Power agreed to remove the 90/110 provisions and insert provisions for a MAG. Idaho Power does not believe that a MAG is a replacement for the firmness determinations of the 90/110 provisions; however, because of the negotiation and inclusion of the price adjustment mechanism described below, the Company is comfortable and confident that the agreement contains provisions to reasonably assure that the project performs in conformance with its generation estimates and, if not, the project receives a reduced price for that generation.

11. Price Adjustment. The parties have negotiated and agreed to provisions that provide for a new type of price adjustment that is uniquely applicable to contracts that utilize the incremental cost, integrated resource plan pricing methodology. As stated above, this ESA, as well as the ESA for Boise City Solar, LLC, is the first

agreement filed with the Commission for its review and subsequent approval or rejection that utilizes this new pricing methodology. Provisions related to this pricing adjustment are found in several places throughout the agreement, including paragraphs 1.14, 1.32, 1.35, 1.38, 3.4, 7.4, and Appendix I. The purpose of this price adjustment mechanism is to require that the project perform in conformance with the generation profile that the project submits, which forms the basis for the avoided cost pricing that is contained in the agreement and locked in for the 20-year term of the agreement. If the project does not perform in conformance with the generation profile that it submitted, then a corresponding adjustment is made to the price paid for that month of generation.

12. The incremental cost, integrated resource plan methodology utilizes an hourly generation profile (for one year) provided by the project, and compares that generation profile to the AURORA power cost model run of Idaho Power's system. For each hour that the project provides generation, the model assigns as an avoided cost price the highest cost Idaho Power resource that is presently operating to serve load. The hourly amounts are combined into monthly heavy load and light load prices, which are then set forth in the ESA. This model, and the resulting avoided cost pricing, is very sensitive to the hourly distribution of generation from the project's generation profile. In order to prevent possible gaming of the model and methodology by manipulating the proposed generation profile in order to lock in a higher avoided cost price in the contract for up to 20 years, with no ability and/or intent to actually meet the submitted generation profile, this price adjustment mechanism was developed, negotiated, and agreed to by the parties.

13. In this ESA, there is an allowance of 5 percent deviation in the monthly net energy deliveries from the generation profile estimates in Appendix I where there will be no price adjustment. However, if the actual generation deviates downward by more than 5 percent, then a corresponding percentage adjustment to the monthly price is imposed. This price adjustment has a floor of 90 percent and a cap of 100 percent of the contract price. The project gets a 5 percent deviation allowance for monthly kilowatt-hour energy deliveries compared to the generation profile provided by the project at the time the contract price was determined. If the project's energy deliveries exceed 100 percent of the original estimates, there is no price adjustment. However, if the project falls short of the energy estimate (beyond the 5 percent deviation), there is an adjustment to the price and the price reduction is limited to 10 percent.

14. The generation profile that was submitted by the project and used to develop the avoided cost prices in the ESA is attached to the ESA as Appendix I. Pursuant to paragraph 3.4, Grand View warrants that the hourly energy estimates provided in the generation profile set forth in Appendix I are accurate estimates of the Facility's expected hourly energy production. Consistent and material deviations from the hourly energy estimates in the generation profile will be considered by Idaho Power to be a material breach of the agreement—meaning that the entire pricing is fundamentally flawed as a result of an inaccurate generation profile. Paragraphs 1.14, 1.32, 1.35, 1.38, and 7.4 work together to provide for a monthly comparison of the project's Net Energy (actual generation) to the Monthly Estimated Generation (generation profile from Appendix I). Net Energy is divided by Monthly Estimated Generation and expressed as a percentage. ¶ 1.14. This percentage, plus 5 percent,

then becomes the monthly Pricing Adjustment Percentage. ¶ 1.38. The Pricing Adjustment Percentage is then applied each month to the heavy load and light prices in the ESA. ¶ 7.4.

15. Market Energy Cost. The definition of “Mid-Columbia Market Energy Cost” was modified to replace reference to the Dow Jones index with reference to the Intercontinental Exchange (ICE) index and formula consistent with the changes approved by the Commission in the settlement stipulation for Case No. IPC-E-13-25.

16. Delay Damages and Security. Provisions providing for Delay Liquidated Damages were removed and provisions to provide for Delay Security were maintained. New provisions providing for actual delay damages as opposed to liquidated damages were included as provided for by the Commission’s adoption of the partial stipulation in Commission Order No. 32697.

17. Environmental Attributes. Article VIII, “Environmental Attributes,” contains negotiated provisions to indicate that Idaho Power owns 50 percent of the environmental attributes associated with the Facility and that the Seller owns 50 percent of the environmental attributes in conformance with Commission orders.

18. Sections 4.1.7, 4.1.8, 9.1, and Appendix B-7 of the ESA contain provisions requiring completion of a Generator Interconnection Agreement (“GIA”), compliance with GIA requirements, and designation as an Idaho Power network resource as conditions of Idaho Power accepting delivery of energy and paying for the same under the agreement. PURPA QF generation must be designated as a network resource (“DNR”) to serve Idaho Power’s retail load on its system. In order for the Facility to maintain its DNR status, there must be a power purchase agreement associated with its



transmission service request in order to maintain compliance with Idaho Power's non-discriminatory administration of its Open Access Transmission Tariff (OATT) and maintain compliance with FERC requirements.

19. Article 21 of the ESA provides that the ESA will not become effective until the Commission has approved all of the ESA's terms and conditions and declared that all payments Idaho Power makes to Grand View for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

#### **IV. MODIFIED PROCEDURE**

20. Idaho Power believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201 *et seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to prepare and present its testimony in such hearing.

#### **V. COMMUNICATIONS AND SERVICE OF PLEADINGS**

21. Communications and service of pleadings, exhibits, orders, and other documents relating to this proceeding should be sent to the following:

Donovan E. Walker  
Lead Counsel  
Regulatory Dockets  
Idaho Power Company  
1221 West Idaho Street  
P.O. Box 70  
Boise, Idaho 83707  
[dwalker@idahopower.com](mailto:dwalker@idahopower.com)  
[dockets@idahopower.com](mailto:dockets@idahopower.com)

Randy C. Allphin  
Energy Contract Administrator  
Idaho Power Company  
1221 West Idaho Street  
P.O. Box 70  
Boise, Idaho 83707  
[rallphin@idahopower.com](mailto:rallphin@idahopower.com)

## **VI. REQUEST FOR RELIEF**

22. Idaho Power respectfully requests that the Commission issue an order: (1) authorizing that this matter may be processed by Modified Procedure; (2) accepting or rejecting the ESA between Idaho Power and Grand View, without change or condition; and, if accepted, (3) declaring that all payments for purchases of energy under the ESA between Idaho Power and Grand View be allowed as prudently incurred expenses for ratemaking purposes.

Respectfully submitted this 25<sup>th</sup> day of July 2014.



DONOVAN E. WALKER  
Attorney for Idaho Power Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 25<sup>th</sup> day of July 2014 I served a true and correct copy of the within and foregoing APPLICATION upon the following named parties by the method indicated below, and addressed to the following:

Peter J. Richardson  
515 North 27<sup>th</sup> Street  
Boise, Idaho 83702

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [peter@richardsonadams.com](mailto:peter@richardsonadams.com)

Robert A. Paul  
149 East Mallard Street #256  
Boise, Idaho 83706

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [robertapaul08@gmail.com](mailto:robertapaul08@gmail.com)

Clare Lees  
15690 Vista Circle  
Desert Hot Springs, California 92240

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [bcl@pobox.com](mailto:bcl@pobox.com)

  
Christa Bearry, Legal Assistant

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. IPC-E-14-19**

**IDAHO POWER COMPANY**

**ATTACHMENT 1**



ENERGY SALES AGREEMENT  
BETWEEN  
IDAHO POWER COMPANY  
AND  
GRAND VIEW PV SOLAR TWO, LLC

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ENERGY SALES AGREEMENT  
(Solar PV Project with a Nameplate rating greater than 100 kW)

Project Name: Grand View PV Solar Two

Project Number: 12616100

This Energy Sales Agreement (“AGREEMENT”), entered into on this 17<sup>th</sup> day of July 2014 between GRAND VIEW PV SOLAR TWO, LLC an Idaho Limited Liability Corporation (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as “Parties” or individually as “Party.”

WITNESSETH:

WHEREAS, Seller will design, construct, own, maintain and operate an electric generation facility; and

WHEREAS, Seller wishes to sell, and Idaho Power is required to purchase, electric energy produced by a PURPA Qualifying Facility.

THEREFORE, In consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

ARTICLE I: DEFINITIONS

As used in this Agreement and the appendices attached hereto, the following terms shall have the following meanings:

- 1.1 “Authorized Agent” – a person or persons specified within paragraph 25.2 of this Agreement as being authorized and empowered, for and on behalf of the Seller, to execute instruments, agreements, certificates, and other documents (collectively “Documents”) and to take actions on behalf of the Seller, and that Idaho Power Company and its directors, officers, employees, and agents are entitled to consider and deal with such persons as agents of the Seller for all purposes, until such time as an authorized officer of the Seller shall have delivered to Idaho Power Company a notice in writing stating that such person is and shall no longer be an agent on behalf

of the Seller. Any Documents executed by such persons shall be deemed duly authorized by the Seller for all purposes.

- 1.2 “Availability Shortfall Price” - The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price specified in Appendix E of this Agreement. If this calculation results in a value less than 15.00 Mills/kWh the result shall be 15.00 Mills/kWh.
- 1.3 “Base Energy” – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.46.
- 1.4 “Calculated Net Energy Amount” - A monthly estimate, prepared and documented after the fact by Seller, reviewed and accepted by the Buyer that is the calculated monthly maximum energy deliveries (measured in kWh) that the full Nameplate Capacity of the Facility could have delivered based upon: (1) Sufficient Prime Mover available for use by the Facility, (2) actual solar insolation available for use by the Facility, (3) applicable Solar Panel Degradation, (4) incidents of Force Majeure, (5) scheduled maintenance, or (6) incidents of Forced Outages less Losses and Station Use. If the duration of an event characterized as item 4 5 or 6 above (measured on each individual occurrence) lasts for less than 15 minutes, then the event will not be considered in this calculation. The Seller shall collect and maintain actual data to support this calculation and shall keep this data for a minimum of 3 years.
- 1.5 “Commission” – The Idaho Public Utilities Commission.
- 1.6 “Contract Year” – The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.7 “Delay Cure Period” – 120 days immediately following the Scheduled Operation Date.
- 1.8 “Delay Damages” – (Current month’s Estimated Net Energy Amount as specified in paragraph 6.2 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month’s Delay Price.
- 1.9 “Delay Period” – All days past the Scheduled Operation Date until the Seller’s Facility achieves the Operation Date or the Agreement is terminated by Idaho Power.



- 1.10 “Delay Price” – The current month’s Mid-Columbia Market Energy Cost minus the current month’s Base Energy Light Load Purchase Price as specified in Appendix E of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.11 “Designated Dispatch Facility” – Idaho Power’s Load Serving Operations, or any subsequent group designated by Idaho Power.
- 1.12 “Effective Date” – The date stated in the opening paragraph of this Energy Sales Agreement representing the date upon which this Energy Sales Agreement was fully executed by both Parties.
- 1.13 “Environmental Attributes” – means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility, and its avoided emission of pollutants. Environmental Attributes include but are not limited to: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere;<sup>1</sup> (3) the reporting rights to these avoided emissions, such as REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes associated with one (1) MWh of energy. Environmental Attributes do not include (i)

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<sup>1</sup> Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Environmental Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits or investment tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) the cash grant in lieu of the investment tax credit pursuant to Section 1603 of the American Recovery and Reinvestment Act of 2009, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.14 “Estimated Net Energy Amount Adjustment Percentage” – (Current month’s Net Energy divided by the applicable month’s Monthly Estimated Generation) expressed as a percentage. If this calculation results in a value greater than 100%, the result of this calculation will be 100%.
- 1.15 “Facility” – That electric generation facility described in Appendix B of this Agreement.
- 1.16 “Financing Parties” - Any financial institution or other person that from time to time provides financing (including, debt, equity, tax equity, or interest rate protection) directly or indirectly to Seller for some or all of the Facility, and any agent, security agent, collateral agent, indenture trustee, loan trustee, loan participant or participating syndicated lenders involved in whole or in part in such financing, and their respective successors and assigns.
- 1.17 “First Energy Date” – The day commencing at 00:01 hours, Mountain Time, following the day that Seller has satisfied the requirements of Article IV and after the Seller requested First Energy Date.
- 1.18 “Forced Outage” – a partial or total reduction of a) the Facility’s capacity to produce and/or deliver Net Energy to the Point of Delivery, or b) Idaho Power's ability to accept Net Energy at the Point of Delivery for non-economic reasons, as a result of Idaho Power or Facility: 1) equipment failure which was **not** the result of negligence or lack of preventative maintenance, or 2) responding to a transmission provider curtailment order, or 3) unplanned preventative maintenance to repair equipment that left unrepaired, would result in failure of equipment prior to the planned maintenance period, or 4) planned maintenance or construction of the Facility or electrical lines required to serve this Facility.

- 1.19 “Generation Interconnection Agreement (GIA)” – The interconnection agreement that specifies terms, conditions and requirements of interconnecting to the Idaho Power electrical system, which will include but not be limited to all requirements as specified by Schedule 72.
- 1.20 “Generation Unit” – a complete solar pv electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility.
- 1.21 “Heavy Load (HL) Hours” – The daily hours from hour ending 0700 - 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.22 “Hourly Energy Estimates” – the hourly energy estimates provided by the Seller and included in Appendix I of this Agreement. These hourly energy estimates are a material input used in the calculation of the energy prices specified in Appendix E.
- 1.23 “Interconnection Facilities” – All equipment specified in the GIA.
- 1.24 “Light Load (LL) Hours” – The daily hours from hour ending 2300 – 0600 Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.25 “Losses” – The loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the point where the Facility’s energy is metered and the Facility’s Point of Delivery. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 1.26 “Market Energy Reference Price” – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.27 “Material Breach” – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.28 “Maximum Capacity Amount” – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.29 “Mechanical Availability” – shall be calculated by Seller within 5 days after the end of each month. The calculation being the Facility’s monthly Net Energy divided by the Facility’s

Calculated Net Energy Amount for the applicable month. Any damages due as a result of the Seller failing to satisfy the Mechanical Availability Guarantee for each month shall be determined in accordance with Appendix H.

1.30 “Mechanical Availability Guarantee” - shall be as defined in Appendix H.

1.31 “Mid- Columbia Market Energy Cost” – is 82.4% of the monthly arithmetic average of each day’s Intercontinental Exchange (“ICE”) daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg index prices in the month as follows:

The actual calculation being:

$$.824 * \left( \sum_{X=1}^n \{(\text{ICE Mid-C Peak Avg}_x * \text{HL hours for day}) + (\text{ICE Mid-C Off-Peak Avg}_x * \text{LL hours for day})\} / (n*24) \right)$$

where n = number of days in the month

If the ICE Mid-C Index prices are not reported for a particular day or days, prices derived from the respective averages of HL and LL prices for the immediately preceding and following reporting periods or days shall be substituted into the formula stated in this definition and shall therefore be multiplied by the appropriate respective numbers of HL and LL Hours for such particular day or days with the result that each hour in such month shall have a related price in such formula. If the day for which prices are not reported has in it only LL Hours (for example a Sunday), the respective averages shall use only prices reported for LL hours in the immediately preceding and following reporting periods or days. If the day for which prices are not reported is a Saturday or Monday or is adjacent on the calendar to a holiday, the prices used for HL Hours shall be those for HL hours in the nearest (forward or backward) reporting periods or days for which HL prices are reported.

1.32 “Monthly Estimated Generation” – the monthly estimated generation as specified in Appendix I identified as the Monthly Estimated kWh adjusted for the Solar Panel Degradation, an event of Force Majeure or Forced Outage that directly impacts the applicable month or if Idaho Power is relieved from accepting the Facility’s Net Energy as allowed in paragraph 1.2.

- 1.33 “Monthly Nameplate Energy” – Nameplate Capacity multiplied by the hours in the applicable month.
- 1.34 “Nameplate Capacity” – The full-load electrical quantities assigned by the designer to a Generation Unit and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device. This value is established for the term of this Agreement in paragraph 4.1.4 of this Agreement.
- 1.35 “Net Energy” – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement.
- 1.36 “Operation Date” – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed and after the Seller requested Operation Date.
- 1.37 “Point of Delivery” – The location specified in the GIA and referenced in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.38 “Pricing Adjustment Percentage” – Estimated Net Energy Amount Adjustment Percentage plus 5%. If this calculation results in a value greater than 100%, the result of this calculation will be 100% or if this calculation results in a value less than 90%, the result of this calculation will be 90%.
- 1.39 “Prudent Electrical Practices” – Those practices, methods and equipment that are commonly and ordinarily used in electrical engineering and operations to operate electric equipment or solar electric generation equipment lawfully, safely, dependably, efficiently and economically.
- 1.40 “Renewable Energy Certificate” or “REC” means a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled, indicating generation of renewable energy by the

Facility, and includes all Environmental Attributes arising as a result of the generation of electricity associated with the REC. One REC represents the Environmental Attributes associated with the generation of one thousand (1,000) kWh of Net Energy.

- 1.41 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller’s Facility shall achieve the Operation Date.
- 1.42 “Schedule 72” – Idaho Power’s Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission.
- 1.43 “Security Deposit” - \$45 per kW Nameplate Capacity of the entire Facility.
- 1.44 “Solar Energy Production Forecast” – A forecast of energy deliveries from this Facility provided by an Idaho Power administered solar forecasting model. The Facility shall be responsible for an allocated portion of the total costs of the forecasting model as specified in Appendix G.
- 1.45 “Solar Integration Charge” – a per kWh charge as specified in Appendix E applied to all Net Energy to be deducted from the monthly energy payments in accordance with Article VII of this Agreement.
- 1.46 “Solar Panel Degradation” – shall be three percent (3%) beginning with the first month of the second Contract Year and an additional seven tenths of a percent (0.7%) beginning with the first month of each Contract Year thereafter.
- 1.47 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.
- 1.48 “Sufficient Prime Mover” means solar insolation that is (1) equal to or greater than the Generation Unit’s manufacturer-specified minimum levels required for the Generation Unit to produce energy and (2) equal to or less than the Generation Unit’s manufacturer-specified maximum levels at which the Generation Unit can safely produce energy

- 1.49 “Surplus Energy” – Is (1) all Net Energy produced by the Seller’s Facility and delivered by the Facility to the Idaho Power electrical system prior to the Operation Date, or (2) all monthly Net Energy that exceeds the Monthly Nameplate Energy.
- 1.50 “Termination Damages” – Financial damages the non defaulting party has incurred as a result of termination of this Agreement.

## ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.
- 2.2 Seller Independent Experts - All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

## ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller’s design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller’s design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility, once constructed, will be a “Qualifying Facility,” as that term is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility’s Qualifying Facility status during the term of this Agreement and Seller’s failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility’s Qualifying Facility status and associated support and compliance documents



at any time during the term of this Agreement.

- 3.3 Solar Project Qualifications - Seller warrants that the Facility, once constructed, will be a “Solar Project,” as that term is used in Commission Order 32697. After initial qualification, Seller will take such steps as may be required to maintain the Facility’s Solar Project status during the full term of this Agreement and Seller’s failure to maintain Solar Project status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility’s Solar Project status and associated support and compliance documents at any time during the term of this Agreement.
- 3.4 Hourly Energy Estimates – Seller warrants that the Hourly Energy Estimates provided by the Seller and contained in Appendix I are accurate estimates of the Facility’s expected hourly energy production based on the characteristics of the solar generation equipment being installed, configuration and orientation of the equipment installation, location specific solar radiation and any other information available.

#### ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power’s acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits, determinations or approvals necessary for Seller’s operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility and evidence of compliance with the eligibility to be classified as a Solar Project as referenced in Commission Order 32697.
- 4.1.2 Opinion of Counsel - Submit to Idaho Power an Opinion Letter signed by an attorney admitted to practice and in good standing in the State of Idaho providing an opinion that Seller’s licenses, permits, determinations and approvals as set forth in paragraph 4.1.1 above are legally and validly issued, are held in the name of the Seller and, based on a reasonable independent review, counsel is of the opinion that Seller is in substantial

compliance with said permits as of the date of the Opinion Letter. The Opinion Letter will be in a form acceptable to Idaho Power and will acknowledge that the attorney rendering the opinion understands that Idaho Power is relying on said opinion. Idaho Power's acceptance of the form will not be unreasonably withheld. The Opinion Letter will be governed by and shall be interpreted in accordance with the legal opinion accord of the American Bar Association Section of Business Law (1991).

- 4.1.3 Commission Approval - Confirm with Idaho Power that Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual Generation Unit that is included within this entire Facility and the total of these units to determine the Facility Nameplate Capacity rating. Upon receipt of this data, Idaho Power shall review the provided data and determine if the Nameplate Capacity specified is reasonable based upon the manufacturer's specified generation ratings for the specific Generation Units. This Nameplate Capacity shall be measured in Alternating Current (AC).
- 4.1.5 Completion certificate - Submit a certificate executed by an authorized agent of the Seller attesting that all mechanical and electrical equipment of the designated Generation Unit(s) of the Facility has been completed to enable the Generation Unit(s) to beginning testing and delivery of Test Energy in a safe manner.
- 4.1.6 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
- 4.1.7 Interconnection – Provide written confirmation from Idaho Power's business unit that administers the GIA that Seller has satisfied all interconnection and testing requirements that will enable the Facility to be safely connected to the Idaho Power electrical system.
- 4.1.8 Network Resource Designation – Confirm that the Seller's Facility has been designated as an Idaho Power network resource capable of delivering energy up to the amount of the Maximum Capacity Amount at the Point of Delivery.

4.1.8.1 As specified in Appendix B item 7 of this Agreement, the Seller's Facility must have achieved the status of being an Idaho Power Designated Network Resource (DNR) prior to Idaho Power accepting any energy from this Facility. Appendix B item 7 provides information on the initial application process required to enable Idaho Power to determine if network transmission capacity is available for this Facility's Maximum Capacity Amount and/or if Idaho Power transmission network upgrades will be required. The results of this study process and any associated costs will be included in the GIA for this Facility.

4.1.8.2 Only after the Facility has completed all requirements of the GIA that enable the Facility to come online can Idaho Power begin the final process of designating this resource as an Idaho Power Network Resource. The final process must be initiated at a minimum 30 days prior to the First Energy Date. Therefore, Idaho Power will begin this process 30 days prior to the Scheduled First Energy Date specified in Appendix B of this Agreement and only after Idaho Power has received confirmation that the GIA requirements have been completed. If the Seller estimates that the actual First Energy is expected to be different than the Scheduled First Energy Date specified in Appendix B of this Agreement, the Seller must notify Idaho Power of this revised date no later than 30 days prior to Scheduled First Energy Date. Under no circumstances will the Facility be able to deliver any energy to Idaho Power until such time as Idaho Power has designated this Facility as an Idaho Power Network Resource.

4.1.9 Written Acceptance – Request and obtain written confirmation from Idaho Power that all conditions to acceptance of energy have been fulfilled. Such written confirmation shall be provided within a commercially reasonable time following the Seller's request and will not be unreasonably withheld by Idaho Power.

## ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of 20 (*not to exceed 20 years*) Contract Years from the Operation Date.

5.2 Operation Date – A single Operation Date will be granted for the entire Facility and may occur only after the Facility has achieved all of the following:

- a) At the minimum, 75% of the Generation Units planned for this Facility have achieved their First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that all mechanical and electrical testing has been completed satisfactorily and the Facility is able to provide energy in a consistent, reliable and safe manner.
- c) Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy as described in Commission Order No. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.
- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay – Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process (this includes any delay in making the required deposit payments set forth in the Facility's GIA) that **are not** caused by Idaho Power or Force Majeure events, **shall not** prevent Delay Damages or Termination Damages from being and owing as

calculated in accordance with this Agreement.

- 5.4 Termination - If Seller fails to achieve the Operation Date prior to the Scheduled Operation Date or within the Delay Cure Period, such failure will be a Material Breach and Idaho Power may terminate this Agreement at any time until the Seller cures the Material Breach.
- 5.5 Delay Damages billing and payment – Idaho Power shall calculate and submit to the Seller any Delay Damages due Idaho Power within 15 days after the end of each month or within 30 days of the date this Agreement is terminated by Idaho Power.
- 5.6 Termination Damages billing and payment - Idaho Power shall calculate and submit to the Seller any Termination Damages due Idaho Power within 30 days after this Agreement has been terminated.
- 5.7 Seller Payment - Seller shall pay Idaho Power any calculated Delay or Termination Damages within 7 days of when Idaho Power presents these billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Security Deposit provided by the Seller in an amount equal to the calculated damages.
- 5.8 Security Deposit - Within thirty (30) days of the date of a final non-appealable Commission Order approving this Agreement as specified in Article XXI, the Seller shall post and maintain liquid security in a form as described in Appendix D equal to or exceeding the amount specified within this Agreement as the Security Deposit until such time as the Security Deposit is released by Idaho Power as specified in paragraph 5.8.1. Failure to post this Security Deposit in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.
- 5.8.1 Idaho Power shall release any remaining Security Deposit provided by Seller promptly after either the Facility has achieved its Operation Date or this Agreement has been terminated and only after all Delay and Termination Damages have been paid in full to Idaho Power.

## ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Net Energy Purchase and Delivery - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery.
- 6.2 Estimated Net Energy Amounts – shall be equal to Monthly Estimated kWhs as specified in Appendix I and as listed below:

<u>Month</u>	<u>kWh</u>
January	5,555,922
February	10,327,215
March	15,887,972
April	19,525,515
May	22,856,536
June	24,757,372
July	25,199,604
August	24,416,994
September	18,893,156
October	14,280,705
November	7,600,946
December	<u>5,331,647</u>
Total	194,633,584

- 6.3 Failure to Deliver Minimum Estimated Net Energy Amounts - Unless excused by an event of Force Majeure, Seller's failure to deliver Net Energy in any Contract Year in an amount equal to at least ten percent (10%) of the sum of the Monthly Estimated Generation shall constitute an event of default.
- 6.4 Allocation of Governmental Charges - Seller shall pay or cause to be paid all taxes, charges or costs that are assessed or levied by any governmental entity on or with respect to the Facility or on or with respect to the sale and making available to Idaho Power of Net Energy that are imposed on the making available of Net Energy arising before the Point of Delivery. Idaho Power shall pay or cause to be paid all taxes, charges or costs that are assessed or levied by any

governmental entity on or with respect to the taking and purchase by Idaho Power of Net Energy that are imposed at and from the taking of Net Energy by Idaho Power at the Point of Delivery.

#### ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Base Energy Heavy Load Purchase Price – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the monthly Base Energy Heavy Load Purchase Price as specified in Appendix E including any applicable Price Adjustment less the Solar Integration Charge.
- 7.2 Base Energy Light Load Purchase Price – For all Base Energy received during Light Load Hours, Idaho Power will pay the monthly Base Energy Light Load Purchase Price as specified in Appendix E including any applicable Price Adjustment less the Solar Integration Charge.
- 7.3 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the Base Energy Light Load Purchase Price including any applicable Price Adjustment less the Solar Integration Charge for that month, whichever is lower.
- 7.4 Price Adjustment - Within 10 days after the end of each month during the term of this Agreement, Idaho Power shall calculate the Pricing Adjustment Percentage for the previous month. The Base Energy Heavy Load Energy Price and the Base Energy Light Load Energy Price as specified in Appendix E for the applicable month will be multiplied by the Pricing Adjustment Percentage and these revised prices will be the Base Energy Heavy Load Energy Price and the Base Energy Light Load Energy Price to be used in paragraphs 7.1, 7.2, and 7.3 for the applicable month.
- 7.5 Delivering Net Energy that exceeds the Monthly Nameplate Energy to Idaho Power for 2 consecutive months and/or in any 3 months during a Contract Year will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement within sixty (60) days after the Material Breach has occurred.
- 7.6 Payment Due Date – Undisputed Base Energy and Surplus Energy payments inclusive of Price Adjustments, less Solar Integration Costs, Solar Energy Production Forecasting Costs, MAG damages and any payments due to Idaho Power will be disbursed to the Seller within thirty (30)



days of the date which Idaho Power receives and accepts (acting in its reasonable discretion and in a reasonably timely manner) the documentation of the monthly Base Energy and Surplus Energy actually delivered to Idaho Power as specified in Appendix A.

- 7.7 Continuing Jurisdiction of the Commission . This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with Idaho Power Company v. Idaho Public Utilities Commission and Afton Energy, Inc., 107 Idaho 781, 693 P.2d 427 (1984), Idaho Power Company v. Idaho Public Utilities Commission, 107 Idaho 1122, 695 P.2d 1 261 (1985), Afton Energy, Inc. v. Idaho Power Company, 111 Idaho 925, 729 P.2d 400 (1986), Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

#### ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title to 50% of the Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Surplus Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this Agreement, unless the parties agree to extend in future agreements. If after the Effective Date and during the term of this Agreement any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this solar generation Facility.
- 8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.

- 8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially altered or discontinued during the Term of this Agreement, the Parties shall cooperate to identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.
- 8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.
- 8.2.3 If either Party requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications requested.
- a. If there is a cost associated with this additional certification, the Seller shall prepare an estimate of those costs and provide both Parties the estimated cost information.
  - b. If the additional certification provides benefits to both parties, the parties shall cooperate to determine a reasonable sharing of the costs associated with these additional benefits. Idaho Power shall only be responsible for costs which Idaho

Power has agreed to prior to the expenditure.

- c. If either Party elects to obtain additional certifications independent of the other Party, both Parties shall cooperate in a reasonable and timely manner to assist in obtaining such certification.

#### ARTICLE IX: FACILITY AND INTERCONNECTION

- 9.1 Design of Facility - Seller will design, construct, install, own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow safe and reliable generation and delivery of Net Energy to the Idaho Power Point of Delivery for the full term of the Agreement in accordance with the GIA.

#### ARTICLE X:

##### METERING, METERING COMMUNICATIONS AND SCADA TELEMETRY

- 10.1 Metering - Idaho Power shall, provide, install, and maintain metering equipment needed for metering the electrical energy production from the Facility. The metering equipment will be capable of measuring, recording, retrieving and reporting the Facility's hourly gross electrical energy production, Station Use, maximum energy deliveries (kW) and any other energy measurements at the Point of Delivery that Idaho Power needs to administer this Agreement and integrate this Facility's energy production into the Idaho Power electrical system. Specific equipment, installation details and requirements for this metering equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.
- 10.2 Metering Communications - Seller shall, at the Seller's sole initial and ongoing expense, arrange for, provide, install, and maintain dedicated metering communications equipment capable of transmitting the metering data specified in paragraph 10.1 to Idaho Power in a frequency, manner and form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated metering communications equipment. Specific details and requirements for this metering communications equipment will be established in the GIA process and documented in the GIA.

- 10.3 Supervisory Control and Data Acquisition (SCADA) Telemetry – If the Facility’s Nameplate Capacity exceeds 3 MW, in addition to the requirements of paragraph 10.1 and 10.2, Idaho Power may require telemetry equipment and telecommunications which will be capable of providing Idaho Power with continuous instantaneous SCADA telemetry of the Seller's Net Energy and Inadvertent Energy production in a form acceptable to Idaho Power. Seller shall grant Idaho Power sole control and use of this dedicated SCADA and telecommunications equipment. Specific details and requirements for this SCADA Telemetry and telecommunications equipment will be established in the GIA process and documented in the GIA. Seller shall be responsible for all initial and ongoing costs of this equipment as specified in Schedule 72 and the GIA.

#### ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain monthly records at the Facility or such other location mutually acceptable to the Parties. These records shall include total generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in (kW) and be records in a form and content acceptable to Idaho Power. Monthly records shall be retained for a period of not less than five years.
- 11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during normal business hours, to inspect and audit any or all records pertaining to the Seller’s Facility generation, Net Energy, Station Use, Surplus Energy, Inadvertent Energy and maximum hourly generation in kW.

#### ARTICLE XII: OPERATIONS

- 12.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power’s Designated Dispatch Facility in accordance with the GIA.
- 12.2 Acceptance of Energy –
- 12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy which would have otherwise been produced by the Facility and delivered by the Seller to the Point of

Delivery:

- a.) If energy deliveries are interrupted due an event of Force Majeure or Forced Outage.
- b.) If interruption of energy deliveries is allowed by Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.304
- c.) If temporary disconnection and/or interruption of energy deliveries is in accordance with Schedule 72 or other provisions as specified within the GIA.
- d.) If Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction, electrical system maintenance requirements, emergencies, electrical system operating conditions, electrical system reliability emergencies on its system, or as otherwise required by Prudent Electrical Practices.

12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified within the GIA or Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

12.2.3 Under no circumstances will the Seller deliver energy from the Facility to the Point of Delivery in an amount that exceeds the Maximum Capacity Amount at any moment in time. Seller's failure to limit deliveries to the Maximum Capacity Amount will be a Material Breach of this Agreement and must be cured immediately.

12.2.4 If Idaho Power is unable to accept the energy from this Facility and is not excused from accepting the Facility's energy, Idaho Power's damages shall be limited to only the value of the estimated energy that Idaho Power was unable to accept valued at the applicable energy prices specified in Appendix E. Idaho Power will have no responsibility to pay

for any other costs, lost revenue or consequential damages the Facility may incur.

- 12.3 Scheduled Maintenance – On or before January 31<sup>st</sup> of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year and Idaho Power and Seller shall mutually agree as to the acceptability of the proposed schedule. If the Seller intends to perform planned maintenance at approximately the same time every year, the Seller may submit a maintenance schedule for the first calendar year and include a statement that this maintenance schedule shall be consistent for all future years, until such time as the Seller notifies Idaho Power of a change to this schedule. The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.
- 12.4 Idaho Power Maintenance Information – Upon receiving a written request from the Seller, Idaho Power shall provide publically available information in regards to Idaho Power planned maintenance information that may impact the Facility.
- 12.5 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

### ARTICLE XIII: INDEMNIFICATION AND INSURANCE

- 13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with

this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

- 13.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry insurance as specified in Appendix F.

#### ARTICLE XIV: FORCE MAJEURE

- 14.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the control of the Seller or of Idaho Power which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Force Majeure includes, but is not limited to, acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, or changes in law or regulation occurring after the effective date, which, by the exercise of reasonable foresight such party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome. Fluctuations and/or changes of the motive force and/or the fuel supply **are not** events of Force Majeure. If either Party is rendered wholly or in part unable to perform its obligations under this Agreement because of an event of Force Majeure, both Parties shall be excused from whatever performance is affected by the event of Force Majeure, provided that:

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence of and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.



#### ARTICLE XV: LIABILITY; DEDICATION

- 15.1 Limitation of Liability. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. Neither party shall be liable to the other for any indirect, special, consequential, nor punitive damages, except as expressly authorized by this Agreement.
- 15.2 Dedication. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the Party or the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

#### ARTICLE XVI: SEVERAL OBLIGATIONS

- 16.1 Except where specifically stated in this Agreement to be otherwise, the duties, obligations and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or impose a trust or partnership duty, obligation or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement.

#### ARTICLE XVII: WAIVER

- 17.1 Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

#### ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

## ARTICLE XIX: DISPUTES AND DEFAULT

19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution. Any party may appeal the determination of the Commission to the Idaho Supreme Court.

### 19.2 Notice of Default

19.2.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (an “event of default”), the non-defaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such default occurred. If the defaulting Party shall fail to cure such default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then the non-defaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.

19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach or if a specific cure and/or inability to cure is identified by this Agreement for the specific Material Breach then that cure shall apply; provided, however, that Seller shall not have less than thirty (30) days to cure any Material Breach.

19.2.3 Financing Party Cure Rights - The Financing Parties shall have the right, but not the obligation, to perform any act required to be performed by Seller under this Agreement to prevent or cure a default or Material Breach by Seller, and such act performed by such Financing Parties shall be as effective to prevent or cure a default as if done by Seller. Idaho Power will provide notice to parties listed in Section 25.1 of this ESA.

19.3 Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide Idaho Power with the following:

19.3.1 Insurance - Evidence of compliance with the provisions of Appendix F. If Seller fails to comply, such failure will be a Material Breach.

19.3.2 Engineer's Certifications - Every three (3) years after the Operation Date, Seller will supply Idaho Power with a Certification of Ongoing Operations and Maintenance (O&M) from a Registered Professional Engineer licensed in the State of Idaho, which Certification of Ongoing O&M shall be in the form specified in Appendix C. Seller's failure to supply the required certificate will be an event of default. Such a default may only be cured by Seller providing the required certificate; and

19.3.3 Licenses / Permits / Determinations - During the full term of this Agreement, Seller shall maintain compliance with all permits, licenses and determinations described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits, licenses or determinations. At least every fifth Contract Year, Seller will update the documentation described in Paragraph 4.1.1. If at any time Seller fails to maintain compliance with the permits, licenses and determinations described in paragraph 4.1.1 or to provide the documentation required by this paragraph, such failure will be an event of default and may only be cured by Seller submitting to Idaho Power evidence of compliance from the permitting agency.

#### ARTICLE XX: GOVERNMENTAL AUTHORIZATION

20.1 This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party of this Agreement.

#### ARTICLE XXI: COMMISSION ORDER

- 21.1 Idaho Power shall file this Agreement for its acceptance or rejection by the Commission. This Agreement shall only become finally effective upon the Commission's approval of all terms and provisions hereof without change or condition and declaration that all payments to be made to Seller hereunder shall be allowed as prudently incurred expenses for ratemaking purposes.

#### ARTICLE XXII: SUCCESSORS AND ASSIGNS

- 22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto. Neither this Agreement nor any rights or obligations of either Party hereunder may be assigned, in whole or in part, by operation of law or otherwise, without the prior written consent of both Parties, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, (a) any party with which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights, obligations and interests under this Agreement, or (b) Seller may assign this Agreement to a Financing Party without Idaho Power's written consent. To the extent it does not expand or change Idaho Power's obligations and liabilities contained in this ESA, Idaho Power will not unreasonably withhold any consent or agreement to other documents as may be reasonably necessary for Seller to consummate any financing or refinancing. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

#### ARTICLE XXIII: MODIFICATION

- 23.1 No modification to this Agreement shall be valid unless it is in writing and signed by both Parties and subsequently approved by the Commission.

ARTICLE XXIV: TAXES

- 24.1 Each Party shall pay before delinquency all taxes and other governmental charges which, if failed to be paid when due, could result in a lien upon the Facility or the Interconnection Facilities.

ARTICLE XXV: NOTICES AND AUTHORIZED AGENTS

- 25.1 Notices - All written notices under this Agreement shall be directed as follows and shall be considered delivered when faxed, e-mailed and confirmed with deposit in the U.S. Mail, first-class, postage prepaid, as follows:

To Seller:

Original document to:

Peter Richardson  
515 N. 27<sup>th</sup> Street  
Boise, Idaho 83702

Telephone:

208-938-7901

E-mail:

[peter@richardsonadams.com](mailto:peter@richardsonadams.com)

Copy of Document to:

Robert A Paul  
149 E. Mallard St. #256  
Boise, Idaho 83706

Telephone:

760-861-1104

Email:

[Robertapaul08@gmail.com](mailto:Robertapaul08@gmail.com)

Clare Lees  
15690 Vista Circle  
Desert Hot Springs, CA 92240

Telephone:

760-861-0322

Email:

[bcl@pobox.com](mailto:bcl@pobox.com)

To Idaho Power:

Original document to:

Vice President, Power Supply  
Idaho Power Company  
PO Box 70  
Boise, Idaho 83707  
Email: [lgrow@idahopower.com](mailto:lgrow@idahopower.com)

Copy of document to:

Cogeneration and Small Power Production  
Idaho Power Company  
PO Box 70  
Boise, Idaho 83707  
E-mail: [rallphin@idahopower.com](mailto:rallphin@idahopower.com)

Either Party may change the contact person and/or address information listed above, by providing written notice from an authorized person representing the Party.

25.2 Authorized Agent(s)

Name	Title
Peter Richardson	Member
Robert A. Paul	Managing Member
Clare Lees	Member

Authorized Agents as listed above may be modified by the Seller by requesting and completing an Authorized Agent modification document provided by Idaho Power. This document at minimum will include the requested changes and require signature(s) from an authorized party of the Seller.

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

- 26.1 Equal Employment - During performance pursuant to this Agreement, Seller agrees to comply with all applicable equal employment opportunity, small business, and affirmative action laws and regulations. All Equal Employment Opportunity and affirmative action laws and regulations are hereby incorporated by this reference, including provisions of 38 U.S.C. § 4212, Executive

Order 11246, as amended, and any subsequent executive orders or other laws or regulations relating to equal opportunity for employment on government contracts. To the extent this Agreement is covered by Executive Order 11246, the Equal Opportunity Clauses contained in 41 C.F.R. 60-1.4, 41 C.F.R. 60-250.5, and 41 CFR 60-741.5 are incorporated herein by reference.

26.2 Prior to the Seller executing this Agreement, the Seller shall have:

- a) Submitted an interconnection application for this Facility and is in compliance with all payments and requirements of the interconnection process.
- b) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power Designated Network Resource. If final interconnection or transmission studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Delay and Termination Damages associated with the project's failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission costs, processes or schedules.
- c) Provide acceptable and verifiable evidence to Idaho Power that demonstrates the Facility is eligible for the published avoided costs requested by the Seller and contained within this Agreement. Commission Order 32817 provides the current published avoided costs for Non-Seasonal Hydro Facilities, Seasonal Hydro Facilities, Other Facilities, Solar Facilities, and Solar Facilities.

26.3 This Agreement includes the following appendices, which are attached hereto and included by reference:

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security
Appendix E	-	Solar Facility Energy Prices and Integration Charges
Appendix F	-	Insurance Requirements
Appendix G	-	Solar Energy Production Forecasting
Appendix H	-	Mechanical Availability Guarantee (MAG) Performance Requirements
Appendix I	-	Estimated Hourly Energy Production



#### ARTICLE XXVII: SEVERABILITY

- 27.1 The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other terms or provisions and this Agreement shall be construed in all other respects as if the invalid or unenforceable term or provision were omitted.

#### ARTICLE XXVIII: COUNTERPARTS

- 28.1 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

#### ARTICLE XXIX: ENTIRE AGREEMENT

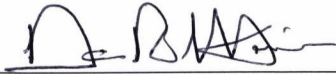
- 29.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the Parties concerning the subject matter hereof.

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed  
in their respective names on the dates set forth below:

Idaho Power Company

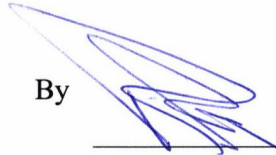
Grand View PV Solar Two, LLC.

By



Dan B. Minor  
Executive Vice President  
&  
Chief Operating Officer

By



Robert A. Paul  
MANAGING MEMBER

Dated

7-17-2014

"Idaho Power"

Dated

7/16/2014

"Seller"

## APPENDIX A

### A-1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

At the end of each month the following required documentation will be submitted to:

Idaho Power Company  
Attn: Cogeneration and Small Power Production  
PO Box 70  
Boise, Idaho 83707

The meter readings required on this report will be the readings on the Idaho Power meter equipment measuring the Facility's total energy production and Station Usage delivered to Idaho Power and the maximum generated energy (kW) as recorded on the metering equipment and/or any other required energy measurements to adequately administer this Agreement. This document shall be the document to enable Idaho Power to begin the energy payment calculation and payment process. The meter readings on this report may not be used to calculate the actual payment, but instead will be a check of the automated meter reading information that will be gathered as described in item A-2 below:

**Idaho Power Company**

**Cogeneration and Small Power Production**

**MONTHLY POWER PRODUCTION AND AVAILABILITY REPORT**

Month \_\_\_\_\_ Year \_\_\_\_\_

Project Name \_\_\_\_\_ Project Number: \_\_\_\_\_  
Address \_\_\_\_\_ Phone Number: \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

	<u>Net Facility Output</u>	<u>Station Usage</u>	<u>Station Usage</u>	<u>Metered Maximum Generation</u>
Meter Number:	_____	_____	_____	kW
End of Month kWh Meter Reading:	_____	_____	_____	
Beginning of Month kWh Meter:	_____	_____	_____	
Difference:	_____	_____	_____	<u>Net Generation</u>
Times Meter Constant:	_____	_____	_____	
kWh for the Month:	_____ - _____	_____ - _____	_____ =	
Metered Demand:	_____	_____	_____	

**Mechanical Availability Guarantee**

Seller Calculated Mechanical Availability \_\_\_\_\_

As specified in this Agreement, the Seller shall include with this monthly report a summary statement of the Mechanical Availability of this Facility for the calendar month. This summary shall include details as to how the Seller calculated this value and summary of the Facility data used in the calculation. Idaho Power and the Seller shall work together to mutually develop a summary report that provides the required data. Idaho Power reserves the right to review the detailed data used in this calculation as allowed within the Agreement.

\_\_\_\_\_  
Signature Date

## A-2 AUTOMATED METER READING COLLECTION PROCESS

Monthly, Idaho Power will use the provided Metering and Telemetry equipment and processes to collect the meter reading information from the Idaho Power provided Metering Equipment that measures the Net Energy and energy delivered to supply Station Use for the Facility recorded at 12:00 AM (Midnight) of the last day of the month.

The meter information collected will include but not be limited to energy production, Station Use, the maximum generated power (kW) and any other required energy measurements to adequately administer this Agreement.

## A-3 SELLER CONTACT INFORMATION

### Seller's Contact Information

#### Project Management

Name:	<u>Robert A. Paul</u>
Telephone Number:	<u>(760)861-1104</u>
Cell Phone:	<u>(760)861-1104</u>
E-Mail:	<u>robertpaul08@gmail.com</u>

#### 24-Hour Project Operational Contact

Name:	<u>Robert A. Paul</u>
Telephone Number:	<u>(760)861-1104</u>
Cell Phone:	<u>(760)861-1104</u>
E-Mail:	<u>robertpaul08@gmail.com</u>

#### Project On-site Contact information

Name:	<u>Robert A. Paul</u>
Telephone Number:	<u>(760)861-1104</u>
Cell Phone:	<u>(760)861-1104</u>
E-Mail:	<u>robertpaul08@gmail.com</u>

## APPENDIX B

### FACILITY AND POINT OF DELIVERY

Project Name: Grand View PV Solar Two

Project Number: 12616100

#### B-1 DESCRIPTION OF FACILITY

*(Must include the Nameplate Capacity rating and VAR capability (both leading and lagging) of all Generation Units to be included in the Facility.)*

The expected design of the Facility will consist of APPROXIMATELY 340,480 polysilicon photovoltaic panels, each rated at NOMINAL 300 Wdc (SUBJECT TO AVAILABILITY). The panels will be installed on a single-axis tracking system, supported by a fixed post and beam structure, located 20 miles southwest of Mountain Home.

Nameplate: 80 MWac

*Var Capability (Both leading and lagging) Leading is 1.05 pf Lagging is 0.95 pf.*

#### B-2 LOCATION OF FACILITY

Near: Grand View, Idaho

Actual or nearest physical street address: Idaho Highway 167 and Frederickson Road

GPS Coordinates:      Latitude Decimal Degrees      43.025

   Longitude Decimal Degrees      -116.016

State: Idaho County: Elmore

Description of Interconnection Location: 60 MWac will interconnect to the 138kV Bowmont-Canyon Creek-Strike transmission line #920 at the Grand View PV Solar substation. The other 20 MWac will interconnect to the 34.5kV Canyon Creek 42 distribution feeder.

#### B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected June 1, 2016 as the Scheduled First Energy Date.

Seller has selected July 1, 2016 as the Scheduled Operation Date.

In making these selections, Seller recognizes that adequate testing of the Facility and completion

of all requirements in paragraph 5.2 of this Agreement must be completed prior to the project being granted an Operation Date.

**B-4 MAXIMUM CAPACITY AMOUNT:**

This value will be 80 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with the GIA. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

**B-5 POINT OF DELIVERY**

"Point of Delivery" means, unless otherwise agreed by both Parties, the point of where the Seller's Facility energy is delivered to the Idaho Power electrical system. The GIA will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by the GIA will become an integral part of this Agreement.

**B-6 LOSSES**

If the Idaho Power Metering equipment is capable of measuring the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power Metering Equipment is unable to measure the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, a Losses calculation will be established to measure the energy losses (kWh) between the Seller's Facility and the Idaho Power Point of Delivery. This loss calculation will be initially set at 2% of the kWh energy production recorded on the Facility generation metering equipment. At such time as Seller provides Idaho Power with the electrical equipment specifications (transformer loss specifications, conductor sizes, etc.) of all of the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power will configure a revised loss calculation formula to be agreed to by both parties and used to calculate the kWh Losses for the remaining term of the Agreement. If at any time during the term of this Agreement, Idaho Power determines that the loss calculation does not correctly reflect the actual kWh losses attributed to the electrical

equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous month's kWh loss calculations.

#### B-7 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until the Facility has achieved the status of being an Idaho Power designated network resource ("DNR"). Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the application to achieve DNR status for this Facility. Because much of the information Idaho Power needs to prepare the DNR application is specific to the Seller's Facility, Idaho Power's ability to file the DNR application in a timely manner is contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for DNR status for this Facility, the Seller shall have 1) filed a Generation Interconnection application, 2) submitted all information required by Idaho Power to complete the application, and 3) either executed this Agreement or, at a minimum, provided Idaho Power with confirmation of the Seller's intent to complete this Agreement in a timely manner. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and cost to attain the DNR designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.**



APPENDIX C

ENGINEER'S CERTIFICATION

OF

OPERATIONS & MAINTENANCE POLICY

The undersigned \_\_\_\_\_, on behalf of himself/herself and \_\_\_\_\_, hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter referred to as the "Agreement," between Idaho Power as Buyer, and \_\_\_\_\_ as Seller, dated \_\_\_\_\_.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as Idaho Power Company Facility No. \_\_\_\_\_ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the \_\_\_\_\_ Project, is located in Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_, Boise Meridian, \_\_\_\_\_ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a \_\_\_\_\_ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, said Project has been designed and built to appropriate standards, and adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for the full Contact Term of \_\_\_\_\_ years.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By \_\_\_\_\_

(P.E. Stamp)

Date \_\_\_\_\_

APPENDIX C  
ENGINEER'S CERTIFICATION  
OF  
ONGOING OPERATIONS AND MAINTENANCE

The undersigned \_\_\_\_\_, on behalf of himself/herself and \_\_\_\_\_ hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter referred to as the "Agreement," between Idaho Power as Buyer, and \_\_\_\_\_ as Seller, dated \_\_\_\_\_.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as Idaho Power Company Facility No. \_\_\_\_\_ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the \_\_\_\_\_ Project, is located in Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_, Boise Meridian, \_\_\_\_\_ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a \_\_\_\_\_ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.

8. That Engineer has made a physical inspection of said Project, its operations and maintenance records since the last previous certified inspection. The Engineer certifies, based on the Project's appearance and the information provided by the Project, that the Project's ongoing O&M has been completed in accordance with said O&M Policy; that it is in reasonably good operating condition; and it is in the Engineer's professional opinion that if adherence to said O&M Policy continues, the Project will continue producing at or near its design electrical output, efficiency and plant factor for the remaining \_\_\_\_\_ years of the Agreement.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By \_\_\_\_\_

(P.E. Stamp)

Date \_\_\_\_\_

## APPENDIX C

### ENGINEER'S CERTIFICATION OF DESIGN & CONSTRUCTION ADEQUACY

The undersigned \_\_\_\_\_, on behalf of himself/herself and \_\_\_\_\_ hereinafter collectively referred to as "Engineer", hereby states and certifies to Idaho Power as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter referred to as the "Agreement", between Idaho Power as Buyer, and \_\_\_\_\_ as Seller, dated \_\_\_\_\_.
3. That the cogeneration or small power production project, which is the subject of the Agreement and this Statement, is identified as Idaho Power Company Facility No \_\_\_\_\_ and is hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the \_\_\_\_\_ Project, is located in Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_, Boise Meridian, \_\_\_\_\_ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a \_\_\_\_\_ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project and has made the analysis of the plans and specifications independently.
8. That Engineer has reviewed the engineering design and construction of the Project, including the civil work, electrical work, generating equipment, prime mover conveyance system, Seller furnished Interconnection Facilities and other Project facilities and equipment.
9. That the Project has been constructed in accordance with said plans and specifications, all

applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a \_\_\_\_\_ year period.

11. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, in interconnecting the Project with its system, is relying on Engineer's representations and opinions contained in this Statement.

12. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By \_\_\_\_\_

(P.E. Stamp)

Date \_\_\_\_\_

## APPENDIX D

### FORMS OF LIQUID SECURITY

The Seller shall provide Idaho Power with commercially reasonable security instruments such as Cash, Cash Escrow Security, Guarantee or Letter of Credit as those terms are defined below or other forms of liquid financial security that would provide readily available cash to Idaho Power to satisfy the Security Deposit requirement and any other security requirements within this Agreement.

For the purpose of this Appendix D, the term “Credit Requirements” shall mean acceptable financial creditworthiness of the entity providing the security instrument in relation to the term of the obligation in the reasonable judgment of Idaho Power, provided that any guarantee and/or Letter of Credit issued by any other entity with a short-term or long-term investment grade credit rating by Standard & Poor’s Corporation or Moody’s Investor Services, Inc. shall be deemed to have acceptable financial creditworthiness.

1. Cash – Seller shall deposit cash in the amount of the required Security Deposit with Idaho Power. Idaho Power will not be responsible to calculate or pay any interest on these funds deposited with Idaho Power.
2. Cash Escrow Security – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the Security Deposit. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).
3. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Security Deposit: (a) a guaranty from a party that satisfies the Credit Requirements, in a

form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.



## APPENDIX E

### SOLAR FACILITY ENERGY PRICES AND INTEGRATION CHARGES

(Prices based upon the energy shape and capacity specified in Appendix I)

E-1 Base Energy Purchase Prices – For all Base Energy received during Heavy Load Hours Idaho Power shall pay the Base Energy Heavy Load Purchase Price less the Solar Integration Charge specified below and for all Base Energy received during Light Load Hours Idaho Power shall pay the Base Energy Light Load Purchase Price less the Solar Integration Charge specified below. All of these prices are subject to revision as specified within paragraph 7.4

<u>Month/Year</u>	<u>Base Energy Heavy Load Purchase Price (Mills/kWh)</u>	<u>Base Energy Light Load Purchase Price (Mills/kWh)</u>	<u>Solar Integration Charge (Mills/Kwh)</u>
Jan-15	\$48.48	\$48.21	\$0.99
Feb-15	\$48.56	\$47.94	\$0.99
Mar-15	\$49.69	\$47.32	\$0.99
Apr-15	\$39.49	\$31.53	\$0.99
May-15	\$47.27	\$45.61	\$0.99
Jun-15	\$46.28	\$37.19	\$0.99
Jul-15	\$61.15	\$53.34	\$0.99
Aug-15	\$59.91	\$51.13	\$0.99
Sep-15	\$54.46	\$48.91	\$0.99
Oct-15	\$49.54	\$48.72	\$0.99
Nov-15	\$50.95	\$48.72	\$0.99
Dec-15	\$50.20	\$48.68	\$0.99
Jan-16	\$52.73	\$52.08	\$1.02
Feb-16	\$52.53	\$51.56	\$1.02
Mar-16	\$50.90	\$48.16	\$1.02
Apr-16	\$46.77	\$47.59	\$1.02
May-16	\$50.08	\$45.97	\$1.02
Jun-16	\$49.65	\$43.00	\$1.02
Jul-16	\$61.49	\$57.72	\$1.02
Aug-16	\$62.76	\$58.59	\$1.02
Sep-16	\$56.35	\$54.17	\$1.02
Oct-16	\$55.02	\$54.18	\$1.02
Nov-16	\$56.49	\$55.74	\$1.02
Dec-16	\$57.34	\$56.20	\$1.02
Jan-17	\$55.60	\$54.24	\$1.05
Feb-17	\$55.00	\$53.05	\$1.05
Mar-17	\$54.15	\$51.78	\$1.05
Apr-17	\$48.06	\$39.78	\$1.05

May-17	\$53.57	\$48.02	\$1.05
Jun-17	\$52.99	\$45.32	\$1.05
Jul-17	\$65.12	\$59.73	\$1.05
Aug-17	\$66.23	\$61.38	\$1.05
Sep-17	\$61.20	\$56.15	\$1.05
Oct-17	\$58.83	\$57.63	\$1.05
Nov-17	\$60.07	\$59.38	\$1.05
Dec-17	\$59.67	\$59.44	\$1.05
Jan-18	\$57.98	\$54.80	\$1.08
Feb-18	\$57.69	\$56.65	\$1.08
Mar-18	\$51.02	\$49.56	\$1.08
Apr-18	\$49.44	\$49.34	\$1.08
May-18	\$53.12	\$49.34	\$1.08
Jun-18	\$52.60	\$48.31	\$1.08
Jul-18	\$64.96	\$64.82	\$1.08
Aug-18	\$69.99	\$64.03	\$1.08
Sep-18	\$63.86	\$61.49	\$1.08
Oct-18	\$61.01	\$60.91	\$1.08
Nov-18	\$61.32	\$60.91	\$1.08
Dec-18	\$60.99	\$60.96	\$1.08
Jan-19	\$59.39	\$56.71	\$1.11
Feb-19	\$60.51	\$54.10	\$1.11
Mar-19	\$48.80	\$47.76	\$1.11
Apr-19	\$47.48	\$47.29	\$1.11
May-19	\$51.04	\$46.04	\$1.11
Jun-19	\$53.04	\$47.42	\$1.11
Jul-19	\$67.01	\$63.69	\$1.11
Aug-19	\$70.61	\$64.08	\$1.11
Sep-19	\$65.28	\$63.71	\$1.11
Oct-19	\$62.35	\$62.34	\$1.11
Nov-19	\$62.66	\$62.34	\$1.11
Dec-19	\$62.35	\$62.34	\$1.11
Jan-20	\$63.16	\$62.23	\$1.15
Feb-20	\$57.53	\$54.04	\$1.15
Mar-20	\$46.89	\$46.90	\$1.15
Apr-20	\$46.34	\$46.14	\$1.15
May-20	\$49.21	\$45.31	\$1.15
Jun-20	\$54.06	\$47.80	\$1.15
Jul-20	\$68.42	\$64.85	\$1.15
Aug-20	\$72.23	\$65.52	\$1.15
Sep-20	\$63.77	\$58.94	\$1.15
Oct-20	\$63.60	\$63.57	\$1.15
Nov-20	\$63.59	\$63.57	\$1.15
Dec-20	\$63.58	\$63.57	\$1.15
Jan-21	\$65.26	\$64.65	\$1.18
Feb-21	\$57.57	\$51.19	\$1.18
Mar-21	\$53.65	\$50.58	\$1.18
Apr-21	\$48.69	\$48.69	\$1.18

May-21	\$55.18	\$48.69	\$1.18
Jun-21	\$56.89	\$50.01	\$1.18
Jul-21	\$70.48	\$67.83	\$1.18
Aug-21	\$74.86	\$67.56	\$1.18
Sep-21	\$66.51	\$62.52	\$1.18
Oct-21	\$65.27	\$65.23	\$1.18
Nov-21	\$65.42	\$65.24	\$1.18
Dec-21	\$65.33	\$65.25	\$1.18
Jan-22	\$67.60	\$66.37	\$1.22
Feb-22	\$68.04	\$65.22	\$1.22
Mar-22	\$60.56	\$54.73	\$1.22
Apr-22	\$53.31	\$53.01	\$1.22
May-22	\$56.89	\$53.02	\$1.22
Jun-22	\$61.05	\$53.50	\$1.22
Jul-22	\$74.09	\$71.32	\$1.22
Aug-22	\$79.03	\$71.39	\$1.22
Sep-22	\$73.19	\$68.70	\$1.22
Oct-22	\$68.97	\$68.78	\$1.22
Nov-22	\$68.91	\$68.71	\$1.22
Dec-22	\$69.26	\$68.78	\$1.22
Jan-23	\$70.19	\$67.51	\$1.25
Feb-23	\$70.83	\$69.00	\$1.25
Mar-23	\$65.74	\$62.66	\$1.25
Apr-23	\$57.64	\$54.98	\$1.25
May-23	\$60.28	\$57.06	\$1.25
Jun-23	\$62.84	\$55.93	\$1.25
Jul-23	\$76.88	\$76.31	\$1.25
Aug-23	\$81.45	\$77.37	\$1.25
Sep-23	\$76.57	\$71.77	\$1.25
Oct-23	\$72.40	\$72.17	\$1.25
Nov-23	\$72.48	\$72.02	\$1.25
Dec-23	\$73.21	\$72.48	\$1.25
Jan-24	\$74.45	\$71.88	\$1.29
Feb-24	\$73.73	\$70.06	\$1.29
Mar-24	\$64.84	\$64.78	\$1.29
Apr-24	\$54.34	\$53.24	\$1.29
May-24	\$58.92	\$53.37	\$1.29
Jun-24	\$61.82	\$58.49	\$1.29
Jul-24	\$83.00	\$79.02	\$1.29
Aug-24	\$92.75	\$77.07	\$1.29
Sep-24	\$78.68	\$76.82	\$1.29
Oct-24	\$75.12	\$74.72	\$1.29
Nov-24	\$75.63	\$74.85	\$1.29
Dec-24	\$76.29	\$75.02	\$1.29
Jan-25	\$77.46	\$77.50	\$1.33
Feb-25	\$76.16	\$71.57	\$1.33
Mar-25	\$69.13	\$66.11	\$1.33
Apr-25	\$55.17	\$53.66	\$1.33

May-25	\$65.31	\$62.03	\$1.33
Jun-25	\$67.83	\$63.07	\$1.33
Jul-25	\$89.55	\$79.75	\$1.33
Aug-25	\$97.28	\$80.25	\$1.33
Sep-25	\$81.81	\$78.99	\$1.33
Oct-25	\$77.81	\$77.70	\$1.33
Nov-25	\$79.06	\$77.70	\$1.33
Dec-25	\$82.13	\$80.03	\$1.33
Jan-26	\$80.62	\$80.80	\$1.37
Feb-26	\$80.88	\$79.58	\$1.37
Mar-26	\$65.40	\$57.48	\$1.37
Apr-26	\$57.48	\$53.53	\$1.37
May-26	\$69.82	\$68.55	\$1.37
Jun-26	\$70.81	\$66.91	\$1.37
Jul-26	\$92.09	\$84.11	\$1.37
Aug-26	\$97.81	\$83.78	\$1.37
Sep-26	\$86.45	\$83.08	\$1.37
Oct-26	\$81.12	\$80.91	\$1.37
Nov-26	\$81.58	\$80.74	\$1.37
Dec-26	\$86.62	\$83.53	\$1.37
Jan-27	\$82.89	\$80.55	\$1.41
Feb-27	\$83.48	\$80.53	\$1.41
Mar-27	\$74.79	\$71.92	\$1.41
Apr-27	\$67.60	\$66.15	\$1.41
May-27	\$66.73	\$66.59	\$1.41
Jun-27	\$72.04	\$68.63	\$1.41
Jul-27	\$96.53	\$84.54	\$1.41
Aug-27	\$101.26	\$87.10	\$1.41
Sep-27	\$89.30	\$85.88	\$1.41
Oct-27	\$83.78	\$83.59	\$1.41
Nov-27	\$84.38	\$83.86	\$1.41
Dec-27	\$95.07	\$88.24	\$1.41
Jan-28	\$86.63	\$82.40	\$1.45
Feb-28	\$86.80	\$83.89	\$1.45
Mar-28	\$70.34	\$70.53	\$1.45
Apr-28	\$65.05	\$66.43	\$1.45
May-28	\$76.18	\$75.59	\$1.45
Jun-28	\$77.29	\$74.11	\$1.45
Jul-28	\$102.29	\$88.84	\$1.45
Aug-28	\$104.67	\$89.76	\$1.45
Sep-28	\$92.34	\$89.98	\$1.45
Oct-28	\$87.32	\$86.47	\$1.45
Nov-28	\$88.14	\$87.26	\$1.45
Dec-28	\$101.49	\$92.70	\$1.45
Jan-29	\$89.65	\$84.38	\$1.50
Feb-29	\$89.75	\$87.92	\$1.50
Mar-29	\$77.02	\$67.57	\$1.50
Apr-29	\$66.68	\$65.70	\$1.50

May-29	\$78.26	\$77.52	\$1.50
Jun-29	\$77.98	\$76.36	\$1.50
Jul-29	\$111.23	\$96.98	\$1.50
Aug-29	\$114.53	\$92.32	\$1.50
Sep-29	\$96.73	\$93.91	\$1.50
Oct-29	\$90.36	\$90.03	\$1.50
Nov-29	\$91.61	\$90.38	\$1.50
Dec-29	\$102.30	\$94.04	\$1.50
Jan-30	\$93.27	\$91.73	\$1.54
Feb-30	\$92.76	\$90.17	\$1.54
Mar-30	\$75.91	\$74.84	\$1.54
Apr-30	\$61.67	\$62.10	\$1.54
May-30	\$68.33	\$61.93	\$1.54
Jun-30	\$79.94	\$80.34	\$1.54
Jul-30	\$119.84	\$107.86	\$1.54
Aug-30	\$118.38	\$95.77	\$1.54
Sep-30	\$100.10	\$96.62	\$1.54
Oct-30	\$93.67	\$93.60	\$1.54
Nov-30	\$95.57	\$93.19	\$1.54
Dec-30	\$108.54	\$96.77	\$1.54
Jan-31	\$107.36	\$101.36	\$1.59
Feb-31	\$104.87	\$95.03	\$1.59
Mar-31	\$93.74	\$86.64	\$1.59
Apr-31	\$73.86	\$66.66	\$1.59
May-31	\$91.95	\$84.39	\$1.59
Jun-31	\$85.78	\$84.91	\$1.59
Jul-31	\$135.89	\$118.10	\$1.59
Aug-31	\$126.68	\$100.09	\$1.59
Sep-31	\$107.38	\$104.69	\$1.59
Oct-31	\$112.49	\$100.42	\$1.59
Nov-31	\$114.30	\$112.36	\$1.59
Dec-31	\$125.43	\$119.10	\$1.59
Jan-32	\$112.23	\$106.30	\$1.64
Feb-32	\$109.35	\$96.61	\$1.64
Mar-32	\$101.10	\$91.52	\$1.64
Apr-32	\$84.14	\$79.00	\$1.64
May-32	\$93.79	\$91.57	\$1.64
Jun-32	\$91.02	\$89.25	\$1.64
Jul-32	\$147.62	\$125.24	\$1.64
Aug-32	\$133.98	\$107.93	\$1.64
Sep-32	\$111.32	\$108.49	\$1.64
Oct-32	\$119.09	\$108.75	\$1.64
Nov-32	\$124.10	\$120.42	\$1.64
Dec-32	\$127.23	\$121.54	\$1.64
Jan-33	\$115.05	\$108.94	\$1.69
Feb-33	\$112.09	\$98.96	\$1.69
Mar-33	\$103.59	\$93.72	\$1.69
Apr-33	\$86.12	\$80.82	\$1.69

May-33	\$96.06	\$93.77	\$1.69
Jun-33	\$93.21	\$91.38	\$1.69
Jul-33	\$151.50	\$128.45	\$1.69
Aug-33	\$137.46	\$110.62	\$1.69
Sep-33	\$114.12	\$111.20	\$1.69
Oct-33	\$122.12	\$111.47	\$1.69
Nov-33	\$127.28	\$123.49	\$1.69
Dec-33	\$130.51	\$124.65	\$1.69
Jan-34	\$117.91	\$111.62	\$1.74
Feb-34	\$114.86	\$101.34	\$1.74
Mar-34	\$106.10	\$95.94	\$1.74
Apr-34	\$88.11	\$82.66	\$1.74
May-34	\$98.35	\$95.99	\$1.74
Jun-34	\$95.41	\$93.53	\$1.74
Jul-34	\$155.46	\$131.71	\$1.74
Aug-34	\$140.99	\$113.35	\$1.74
Sep-34	\$116.95	\$113.95	\$1.74
Oct-34	\$125.19	\$114.22	\$1.74
Nov-34	\$130.51	\$126.60	\$1.74
Dec-34	\$133.83	\$127.79	\$1.74
Jan-35	\$120.86	\$114.38	\$1.79
Feb-35	\$117.71	\$103.79	\$1.79
Mar-35	\$108.69	\$98.22	\$1.79
Apr-35	\$90.16	\$84.55	\$1.79
May-35	\$100.71	\$98.28	\$1.79
Jun-35	\$97.68	\$95.75	\$1.79
Jul-35	\$159.53	\$135.07	\$1.79
Aug-35	\$144.63	\$116.16	\$1.79
Sep-35	\$119.87	\$116.77	\$1.79
Oct-35	\$128.35	\$117.05	\$1.79
Nov-35	\$133.83	\$129.81	\$1.79
Dec-35	\$137.25	\$131.04	\$1.79
Jan-36	\$123.84	\$117.17	\$1.84
Feb-36	\$120.60	\$106.27	\$1.84
Mar-36	\$111.32	\$100.53	\$1.84
Apr-36	\$92.23	\$86.44	\$1.84
May-36	\$103.09	\$100.59	\$1.84
Jun-36	\$99.97	\$97.98	\$1.84
Jul-36	\$163.67	\$138.49	\$1.84
Aug-36	\$148.33	\$119.00	\$1.84
Sep-36	\$122.82	\$119.64	\$1.84
Oct-36	\$131.56	\$119.93	\$1.84
Nov-36	\$137.21	\$133.06	\$1.84
Dec-36	\$140.73	\$134.33	\$1.84

## APPENDIX F

### INSURANCE REQUIREMENTS

The Seller shall secure and continuously carry insurance as specified within this Appendix for the term of the Agreement.

#### Insurance Requirements:

1. All insurance required by this Agreement shall be placed with an insurance company with an A.M. Best Company rating of A- or better.
2. If the insurance coverage required in this Appendix is cancelled, materially changed or lapses for any reason, the Seller will immediately notify Idaho Power in writing. This notice will advise Idaho Power of the specific reason for cancellation, material change or lapse and the steps being taken to comply with these Insurance Requirements. Failure to provide this notice and to comply with these Insurance Requirements within 5 days of the cancellation, material change or lapse will constitute a Material Breach and Idaho Power may terminate this Agreement.
3. Prior to the First Energy date and subsequently within 10 days of the annual anniversary of the Operation Date, the Seller shall provide a Certificate of Insurance in the name of Idaho Power Company and list Idaho Power Company as an Additional Insured Endorsement and Waiver of Subrogation Endorsement.
4. The Certificate of Insurance shall evidence the appropriate insurance coverage of Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to \$1,000,000, each occurrence, combined single limit. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

## APPENDIX G

### SOLAR ENERGY PRODUCTION FORECASTING

Idaho Power shall make use of a Solar Energy Production Forecasting model to forecast the energy production from this Facility and other Qualifying Facility solar generation resources. Seller shall contribute to the cost of the Solar Energy Production Forecasting. The Facility's share of Solar Energy Production Forecasting is determined as specified below. Seller's payments for the cost of the Solar Energy Production Forecasting in any Contract Year will not be greater than 0.1% of the total energy payments made to Seller by Idaho Power during the previous Contract Year.

- a. For every month of this Agreement beginning with the first full month after the First Energy Date as specified in this Agreement, the Solar Energy Production Forecasting Monthly Cost Allocation (MCA) will be due and payable by the Seller. Any Solar Energy Production Forecasting Monthly Cost Allocations (MCA) that are not reimbursed to Idaho Power shall be deducted from energy payments to the Seller.
- b. During the first Contract Year, as the value of the 0.1% cap of the Facility's total energy payments will not be known until the first Contract Year is complete, Idaho Power will deduct the Facility's calculated share of the Solar Energy Production Forecasting costs specified in item d each month during the first Contract Year and subsequently refund any overpayment (payments that exceed the cap) in equal monthly amounts over the ensuing Contract Year.
- c. The cost allocation formula described below will be reviewed and revised if necessary on the last day of any month in which the cumulative MW nameplate



of Solar projects having Commission approved agreements to deliver energy to Idaho Power has been revised by an action of the Commission.

- d. The monthly cost allocation will be based upon the following formula :

Where: **Total MW (TMW)** is equal to the total Nameplate Capacity rating of all QF Solar projects that are under contract to provide energy to Idaho Power Company.

**Facility MW (FMW)** is equal to the Nameplate Capacity rating of this Facility as specified within the Agreement.

**Annual Solar Energy Production Forecasting Cost (AFCost)** is equal to the total annual cost Idaho Power incurs to provide Solar Energy Production Forecasting. Idaho Power will estimate the AFCost for the current year based upon the previous year's cost and expected costs for the current year. At year-end, Idaho Power will compare the actual costs to the estimated costs and any differences between the estimated AFCost and the actual AFCost will be included in the next year's AFCost.

$$\text{Annual Cost Allocation (ACA)} = \text{AFCost} \times (\text{FMW} / \text{TMW})$$

And

$$\text{Monthly Cost Allocation (MCA)} = \text{ACA} / 12$$

- e. The Solar Energy Production Forecasting Monthly Cost Allocation (MCA) is due and payable to Idaho Power. The MCA will first be netted against any monthly energy payments owed to the Seller. If the netting of the MCA against the monthly energy payments results in a balance being due Idaho Power, the Facility shall pay this amount within 15 days of the date of the payment invoice.

## APPENDIX H

### MECHANICAL AVAILABILITY GUARANTEE (MAG) PERFORMANCE REQUIREMENTS

Mechanical Availability Guarantee (MAG) – After the Operational Date has been established, the Facility shall achieve a minimum monthly Mechanical Availability of 85% for the Facility for each month during the full term of this Agreement (the “Mechanical Availability Guarantee”). Failure to achieve the Mechanical Availability Guarantee shall result in Idaho Power calculating damages as specified in this Appendix.

- a. At the time the Seller provides the Monthly Power Production and Availability Report (Appendix A), the Seller shall provide and certify the calculation of the Facility's current month's Mechanical Availability. The Seller shall include a summary of all information used to calculate the Calculated Net Energy Amount including but not limited to: (a) Forced Outages, (b) Force Majeure events, (c) Sufficient Prime Mover impact on generation, (d) scheduled maintenance, (e) available solar insolation and (f) Station Use information.
- b. The Seller shall maintain and retain for three years detailed documentation supporting the monthly calculation of the Facility's Mechanical Availability.
- c. Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Facility's Mechanical Availability at reasonable times at the Seller's offices.
- d. If the current month's Mechanical Availability is less than the Mechanical Availability Guarantee, damages shall be equal to:

((85 percent of the month's Calculated Net Energy Amount) minus the month's actual Net Energy deliveries) multiplied by the Availability Shortfall Price.
- e. Any damages calculated in accordance with this Appendix will be offset against the current month's energy payment. If an unpaid balance remains after the damages are offset against the energy payment, the Seller shall pay in full the remaining balance within 30 days of the date of the invoice.

# APPENDIX I

## ESTIMATED HOURLY ENERGY PRODUCTION

This Information was provided by the project for use in the Incremental Cost IRP Avoided Cost pricing methodology established by Commission Order No. 32697 and for inclusion in this appendix.

Average MW for each hour using Mountain Time and adjusted for Daylight Savings Time														
Hour Start	Hour End	Hour	January	February	March	April	May	June	July	August	September	October	November	December
12:00 AM	1:00 AM	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1:00 AM	2:00 AM	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2:00 AM	3:00 AM	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3:00 AM	4:00 AM	4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4:00 AM	5:00 AM	5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5:00 AM	6:00 AM	6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6:00 AM	7:00 AM	7	0.0	0.0	0.0	0.0	0.8	3.4	0.8	0.0	0.0	0.0	0.0	0.0
7:00 AM	8:00 AM	8	0.0	0.1	1.2	5.3	19.9	32.7	24.9	11.2	0.8	0.0	0.0	0.0
8:00 AM	9:00 AM	9	2.3	15.6	19.1	32.5	48.5	59.3	54.0	50.7	28.9	7.1	15.5	2.8
9:00 AM	10:00 AM	10	18.7	40.1	45.8	48.4	59.8	69.3	67.0	68.4	59.1	40.7	32.0	18.8
10:00 AM	11:00 AM	11	22.5	42.2	54.2	57.1	66.5	75.2	72.3	73.5	68.3	56.7	35.5	24.2
11:00 AM	12:00 PM	12	18.4	38.9	54.4	64.5	68.6	72.4	72.1	75.8	66.3	53.8	33.3	22.8
12:00 PM	1:00 PM	13	16.9	40.7	51.4	66.4	66.6	76.6	67.7	74.2	63.4	51.1	32.7	22.8
1:00 PM	2:00 PM	14	21.3	41.8	50.2	65.4	69.8	74.6	67.4	67.1	60.9	49.7	29.0	24.0
2:00 PM	3:00 PM	15	26.8	42.1	56.8	61.5	64.0	72.7	74.0	67.3	63.6	51.1	31.3	26.5
3:00 PM	4:00 PM	16	28.8	49.5	55.1	67.0	65.3	66.0	69.8	70.1	61.5	54.1	28.5	23.6
4:00 PM	5:00 PM	17	22.6	45.0	54.9	59.0	62.7	62.6	69.5	70.7	61.6	49.3	13.5	6.5
5:00 PM	6:00 PM	18	1.0	12.9	42.9	60.7	60.6	58.4	65.9	68.9	58.3	40.7	2.0	0.0
6:00 PM	7:00 PM	19	0.0	0.0	23.2	45.5	49.3	51.7	55.1	61.2	32.9	6.5	0.1	0.0
7:00 PM	8:00 PM	20	0.0	0.0	3.3	17.2	30.2	39.6	42.6	26.4	4.0	0.0	0.0	0.0
8:00 PM	9:00 PM	21	0.0	0.0	0.0	0.4	4.7	10.9	9.8	2.2	0.0	0.0	0.0	0.0
9:00 PM	10:00 PM	22	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10:00 PM	11:00 PM	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11:00 PM	12:00 AM	24	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monthly MW			179.2	368.8	512.5	650.9	737.3	825.2	812.9	787.6	629.8	460.7	253.4	172.0
Days in Month			31.0	28.0	31.0	30.0	31.0	30.0	31.0	31.0	30.0	31.0	30.0	31.0
Monthly Estimated MWh			5,556	10,327	15,888	19,526	22,857	24,757	25,200	24,417	18,893	14,281	7,601	5,332
Monthly Estimated kWh			5,555,922	10,327,215	15,887,972	19,525,515	22,856,536	24,757,372	25,199,604	24,416,994	18,893,156	14,280,705	7,600,946	5,331,647